

2014 BSEE International Standard Workshop

BSEE Standards Model

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Presentation Overview



- BSEE Regulatory Model
- Standards as a regulatory tool
 - Historical perspective
 - Current system
- Agency standards policies
- Future programmatic areas of interest to BSEE

BSEE Regulatory Model



- Hybrid regulatory system
- Program draws from a variety of concepts
- Model contains 3 key elements
 - Prescriptive requirements
 - Performance based initiatives
 - Industry standards



Prescriptive Component



- Command and Control
 - Yes/No, black & white, limited flexibility,
 - Level playing field (promotes consistency)
- Equipment and system specifications
 - What to install,
 - When to install,
 - When to test,
 - Record keeping (type, location, duration)
- Operational and inspection procedures
- Plan and permit requirements
 - POE, DPP, DWOP, APD....

Performance Component



- Increased reliance on goal setting
 - Less dependence on prescription,
 - Increased flexibility
- Performance rules
 - Subpart O training, effective 10/15/00
 - Subpart S SEMS, effective 11/15/10
 - Subpart S SEMS II, effective 6/4/13
 - 30 CFR 250.141 alternative compliance (safety & environmental equivalency)
 - 30 CFR 250.142 departures
 - 30 CFR 250.463 field drilling rules

Why Use Standards?



- Provides consistency
 - Benefits regulator, industry, consumer
- Makes good engineering sense
 - Engages experts from community
- Allows regulator to be proactive
- NTTAA requires federal agencies to use voluntary consensus standards in regulations if possible

Evolution of BSEE Standards Program



- The importance of industry standards as a meaningful component of an OCS oil and gas regulatory program was recognized by the USGS at an early date
- The USGS launched a Nationwide program which incorporated "key" oil and gas standards
- Subsequent OCS regulators have continued this tradition
 - MMS, BOEMRE, BOEM, BSEE......

Evolution of BSEE Standards Program



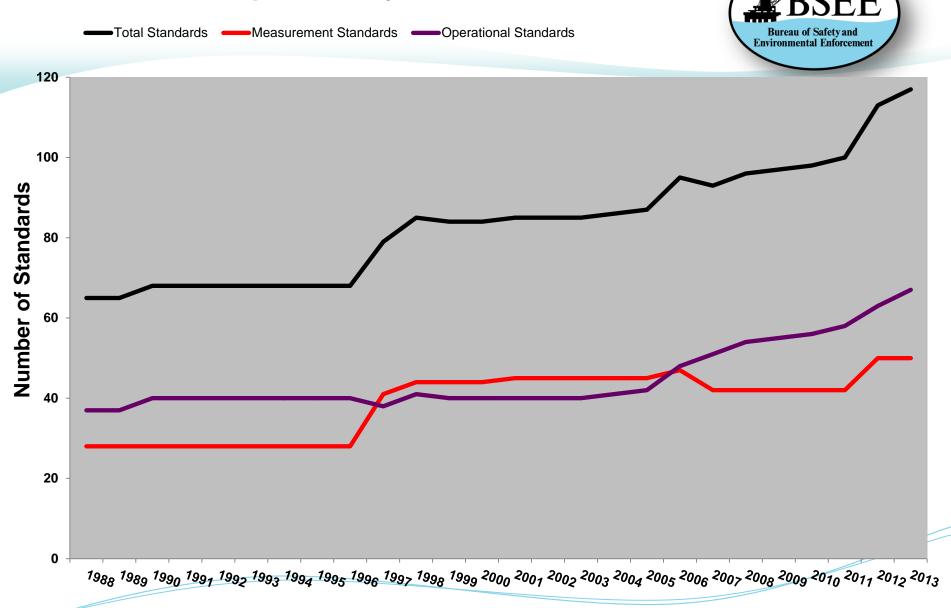
- OCS Orders 1970's &1980's
 - Individual regulations for each Region
 - ➤ Gulf of Mexico, Pacific, Alaska, Atlantic
- Some of the First Standards were incorporated into the OCS Orders
 - USGS Order #2, GOM, January, 1980
 - > API RP 53, First Edition, February 1976
 - USGS Order #5, GOM, January, 1980
 - ➤ ANSI/ASME SPPE-1-1977, December, 1977
 - > ANSI/ASME SPPE-2-1977, December, 1977
 - > API Spec 14A, Fourth Edition, November, 1979
 - ➤ API RP 500B, Second Edition, July, 1973

Evolution of BSEE Standards Program



- Consolidated Regulations (CR) issued 4/1/88
- Combined Regional "OCS Orders" into a single OCS Wide Rule
- At the time the CR was issued it incorporated 65 industry standards
- The contents of the 1988 regulation, including the number and type of incorporated standards continues to change today to address an evolving industry

Documents Incorporated by Reference 1988 - 2013



STANDARDS 1/2014



- API American Petroleum Institute (88)
- ANSI/ASME American
 National Standards Institute/
 American Society of
 Mechanical Engineers (7)
- ANSI American National Standards Institute (1)
- ASTM American Society for Testing and Materials (5)
- AWS American Welding Society (3)
- NACE National Association of Corrosion Engineers (2)

- AISC American Institute of Steel Construction (1)
- ACI American Concrete Institute (3)
- AGA American Gas Association (3)
- ISO/IEC International Organization for Standardization/International Electrotechnical Commission (1)
- COS Center for Offshore Safety (3)

117 STANDARDS INCORPORATED INTO BSEE REGULATIONS

Standards Today





BSEE Considerations for Involvement in Standards



- Document needs to be relevant to BSEE safety, operational and/or environmental priorities
- Can work be performed solely by industry?
- Will Standard address a given risk?
- Cost of BSEE involvement
 - Travel

BSEE Standards Process



- BSEE engineers (or contractors) may participate in standards work groups
 - ABS and Manhattan Strategy Group
 - Resource constraints
- Publish agency intent to incorporate standard in Federal Register
- Publication allows parties an opportunity to provide agency comments on proposal
- Agency can incorporate
 - Entire standard
 - Portions of standard
 - Specific Editions of standard (not always the latest Edition)
- Agency maintains a listing of all incorporated standards @ 30 CFR 250.198
- Incorporation of a standard by reference into BSEE regulations makes the standard a requirement

Second and Third Tier Standards



- BSEE policy
 - For a standard to be considered part of the regulations it needs to be specifically incorporated
- Second and third tier documents
 - Documents referenced in an incorporated standard
 - Though not specifically part of regulations, the agency expects compliance with 2nd and 3d tier documents to the extent that they are needed to meet the intent of the incorporated standard

Future Agency Interests



Arctic

- BSEE to review API RP 2N, Planning, Designing and Constructing Structures and Pipelines for Arctic Conditions and consider incorporation, either in whole or part, when published
- BSEE to fund ice forecasting, monitoring, scour and gouging research in 2014 to support agency decision on 2N

Risk

- What level of risk is acceptable?
 - ➤ How to determine? (ALARP, other methods)
- As applied to BSEE inspection program
 - ➤ Use of incident information to identify "critical" components

Future Agency Interests



- Equipment
 - Life Cycle Management for API Monogrammed Products (API Q3)
 - Failure Reporting
- Human Factors, Training, Safety Management
 - Competency requirements for critical positions
 - > Crane operator, subsea engineer
 - Enhance how process safety is addressed in Subpart S and/or API RP75
- Shear Test Standardization
 - 30 CFR 250.416(e) APD submittals

Conclusions, Summary



- Standards represent a dynamic & integral component of BSEE's hybrid regulatory model
- Agency recognized the importance of standards as early as the 1970's.
 - Reliance on standards has increased since that time
- BSEE personnel participate in process as allowed by NTTAA, when funds are available, and when deemed prudent
- New agency initiatives target increased involvement in standards work
 - Use of contractors

Questions, Comments, Concerns?





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